

Medicare Home Health Prospective Payment System

INTRODUCTION

The Blue Cross and Blue Shield Association on behalf of the Health Care Financing Administration (HCFA) developed this Medicare Home Health Prospective Payment System (HH PPS) training session. The training session has been prepared to assist providers and Medicare fiscal intermediaries (FIs) with the information they will need to know in order to successfully implement the new payment system.

This session and the training publication are designed for training individuals who will in turn, train providers and FI staff in HH PPS.

This training publication was produced prior to the publication of the final rule implementing Medicare's Home Health Prospective Payment System. We have revised the training material to incorporate the best information available at the time of publication. Please refer to the final rule as published in the *Federal Register* for authoritative guidance in the new system.

This publication should not be considered an authoritative source in making Medicare Program policy determinations.

COURSE OBJECTIVES

At the end of this session participants will be able to:

- Explain (at a conceptual level) the basic components of HH PPS
- Explain (at a conceptual level) how the components of HH PPS interact from claim submission to finalization using program materials developed for provider training
- Understand the impact of HH PPS on FI workload and work flow , as well as the impact on audit and reimbursement
- Understand the FI responsibilities related to HH PPS provider education and anticipated provider concerns
- Understand how to use the training tools developed for this course to help address provider HH PPS education

CERTIFICATION

This training course meets the Continuing Education and Training (CET) requirements of the Government Auditing Standards and should qualify for CET credit by your state Board of Accountancy, since Blue Cross and Blue Shield Association is a corporate sponsor in the state of Illinois and an approved sponsor in the National Association of State Boards of Accountancy, National Registry of CPE Sponsors (91-00149-99).



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GLOSSARY OF TERMS

ADL	Activities of Daily Living
BBA	Balanced Budget Act of 1997
BBRA	Balanced Budget Refinement Act of 1999
COP	Conditions of Participation
DME	Durable Medical Equipment
DMERC	DME Regional Carrier
Episode	60-day unit of payment for HH PPS
FC	Final Claim
FIs	Fiscal Intermediaries
FFY	Federal Fiscal Year
FMR	Focused Medical Review
FY	Fiscal Year
HCPC(S)	HCFA Common Procedural Coding System
HH	Home Health
HHA	Home Health Agency
HIC	Health Insurance Claim
HIPPS Code	Health Insurance Prospective Payment System Code
HH PPS	Home Health Prospective Payment System
(H)HRGs	Home Health Resource Groups
IADL	Instrumental Activities of Daily Living
IPS	Interim Payment System
Line Item	Service or item-specific detail of claim
LUPA	Low Utilization Payment Adjustment
National Standard Per Visit Rates	National rates for each 6 home health disciplines based on historical claims data. Used in payment of LUPAs and calculation of outliers.
MS	Medical Social Services
MSA	Metropolitan Statistical Area
NCSB	Neurological, Cognitive, Sensory, and Behavioral Variables

OASIS	Outcome and Assessment Information Set
OBQI	Outcome Based Quality Improvement
OCESAA	Omnibus Consolidated and Emergency Supplemental Appropriations Act for Fiscal Year 1999
OES	Occupational Employment Survey
Outlier	Additions to a full episode payment in cases where costs of services delivered are estimated exceed a fixed loss threshold. HH PPS outliers are computed as part of Medicare claims payment by Pricer software.
OSCAR	On-Line Survey and Certification System
OSHA	Occupational Safety and Health Administration
OT	Occupational Therapy
PEP	Partial Episode Payment
POC	Plan of Care
Pricer	Software modules in Medicare claims processing systems, specific to certain benefits, used in pricing claims, most often under prospective payment systems
PPS	Prospective Payment System
PT	Physical Therapy
RAP	Request for Anticipated Payment
Revenue Code	Payment codes for services or items place in FL 42 of the UB-92 found in Medicare and/or NUBC (National Uniform Billing Committee) manuals (42x, 43x, etc.).
RHHI	Regional Home Health Intermediary
ROVER Protocol	Regional Home Health Intermediary OASIS Verification Protocol
RUGs	Resource Utilization Groups
SCIC	Significant Change in Condition
SN	Skilled Nursing Service
SP	Speech-Language Pathology
TOB	Type of Bill

UB-92	The claim or bill form, in either paper or electronic version, used by most institutional health care providers. Published by HCFA as the UB-92 Form 1450, but the standard itself is maintained by a non-governmental body: the National Uniform Billing Committee, an entity under the American Hospital Association in Chicago.
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